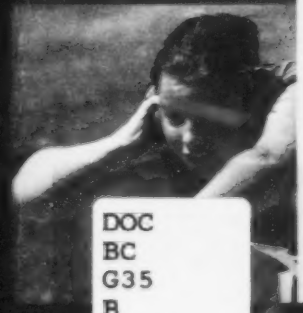

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BRITISH COLUMBIA
Ministry of Small Business and Economic Development

Jazz

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Message from the Co-Chairs to the Minister Responsible

SHOWCASING BC'S BEST

It was a year for summer athletes to come together to compete in the 23rd edition of the BC Summer Games. These BC Games were a true test of the provincial sport system to determine whether they were able to meet the challenge of bringing their best young athletes and include the coaching talent demanded by this level of athlete. The result on the participation side was off compared to pre-development years with 76.8% of eligible athletes competing. In 2002, the traditional 88% of the planned sport package participated in the BC Summer Games. Provincial Sport Organizations have told us they found their declared age categories to be too restrictive as any given sport may have difficulty recruiting athletes from that age pool. Sixty percent of coaches were certified to, or exceeded the standard of full level 1 and level 2 theory of the National Coaching Certification Program. BC Games staff and the Provincial Sport Organizations continue to discuss these opportunities and look for the best solutions to ensure sport participation and coaching certification is meeting mutually accepted standards.

The strength and profile of the BC Games at the local level continues to attract both small and large business looking to invest in their community and their province. Abbotsford enjoyed wonderful partnerships with Envision Financial, the Abbotsford News and Save-On Foods, all of whom invested significantly in the success of BC Summer Games. It was the additional dollars and value in-kind which kept their Games on budget while ultimately contributing a financial legacy of $174,394.00 back to the sport and recreation system. It is that positive contribution that perpetuates the BC Games as a celebration of both sport and community.

The Games are funded through public private partnerships with the Province of British Columbia and 2010 Legacies Now, host communities, and the continuing partnerships of Air Canada Jazz, TELUS and Global Television-BC. This past fiscal year, the corporate relationship between Air Canada and the society was extended for two more years; recognition by a major Canadian corporation that the BC Games are an important investment. Global Television - BC continues to provide coverage and promotion of our summer and winter events, extending the reach of our messaging while encouraging young athletes to follow their dreams. Joining our corporate family this past year was TELUS; as the premier telecommunications provider in BC, we welcome their investment and thank them for their recognition of our Games as a catalyst for community goodwill and sporting excellence.

With the business community so strong in their support, it is easier to assist the volunteers in their challenges to host the province. Moving our Guidelines for the Host Community to an on-line resource allows volunteers easier access to the information, while providing greater detail to them through video streaming, on-line scheduling, and registration. We continue to support the volunteers' efforts as we develop new programs for learning; designed to make them stronger volunteers and better people, while building capacity in the volunteer system as we near 2010.

Volunteers in each of our hosting cities this past fiscal year benefited from our written materials and staff involvement. Included in this year's successes were the Abbotsford 2004 BC Summer Games, the Penticton 2004 BC Seniors Games, and the Dawson Creek 2005 Northern BC Winter Games; no hosting city stepped forward to stage the 2005 BC Disability Games.

Message from the Co-Chairs to the Minister Responsible

Better alignment between Games and participating sport organizations, plus the introduction of on-line materials for the volunteers will help our next cycle of Games in Nanaimo, Cowichan Valley, 100 Mile House, and Greater Trail achieve similar successes.

The road to success is a journey and not a destination, so we look upon the challenges with our sport partners as opportunities to help make the entire system just a little bit better. It is clear that our position in the provincial system is a focus for our public and private partners, and we must always strive to maintain their trust and their confidence.

So much is changing in BC as the provincial government's investment increases. Additionally, as new direction and partnerships are planned by 2010 LegaciesNow, it is important that the BC Games maintain our course regarding athlete development and coach certification. Keeping the goal in sight and always assisting those who need that added push to get there. Our journey continues but with us always knowing that, without our partnerships with sport and community, we would never have success.

Financially, the society is on solid footing recognizing the two-year cycle of a smaller BC Winter Games and a larger, more expensive BC Summer Games. We must continue to mind our costs while exploring new opportunities for additional revenue through the corporate sector and other entrepreneurial means.

The 2004 and 2005 BC Games Society Annual Report was prepared under our direction in accordance with the Budget Transparency and Accountability Act. We are accountable for the contents of this report, including the selection of performance measures and how the results have been reported. The information presented reflects the actual performance of the BC Games Society for the twelve months ending March 31, 2005. All significant decisions, events, and identified risks, as of March 31, 2005, have been considered in preparing this report.

The information presented is prepared in accordance with the BC Reporting Principles and represents a comprehensive picture of our actual performance in relation to our service plan.

Wendy Ladner-Beaudry

W. Ladner-Beaudry

Co-Chair

Tony Fiala

Tony Fiala

Co-Chair

Mandate and Membership of the Board

The BC Games Society was established in 1977 to promote community and sport development across BC. BC Games is included in the public accounts of the Government of British Columbia and is treated as a crown agency of the Government of British Columbia and is subject to the Budget Transparency and Accountability Act. The Society was incorporated under the Society Act in 1987 to provide event management leadership to achieve sport, individual and community development. The BC Games Society reports to the Minister of Small Business and Economic Development.

A fifteen-member community-based Board of Directors, appointed by Ministerial letter, sets the strategic direction of BC Games within direction provided by the provincial sport system with approval by the Minister. President and CEO, Kelly Mann, is given direction by the Board and is accountable for managing the operations of the Society. The Director's activities and responsibilities are governed by "Best Practice Guidelines for Governance and Disclosure for Governing Boards."

The Society receives its core funding through an Agreement for Financial Assistance with the 2010 LegaciesNow Society, and also provides them with interim and final reports based on the deliverables in the agreement.

BOARD MEMBERS

Joan Hess, West Vancouver, Co-Chair (concluded term December 2004)
Wendy Ladner-Beaudry, Vancouver, Co-Chair (began term January 2005)
Tony Fiala, Williams Lake, Co-Chair
Gary Young, North Vancouver, Chair-Marketing and Communications Committee
Rod Cox, Terrace, Chair-Finance Committee, Marketing and Communications Committee
Marni Abbott, Vancouver, Sport Committee
Scott Braley, North Vancouver, 2010 LegaciesNow Representative
Kimberly White Gilhooly, Vernon, Marketing and Communications Committee
Bob Irwin, Kitimat, Northern BC Winter Games Society, Sport Committee
Bruce Johnson, Penticton, Finance Committee
George Kawaguchi, Burnaby, Sport Committee
Frank Lento, Fernie
Elsa McIntee, Richmond, BC Seniors Games Society
Graham McKay, Victoria, Provincial Government and Finance (concluded term December 2004)
Linda Palm, Chilliwack, BC Disability Sports
Sharon White, Victoria, Provincial Government Representative, Marketing and Communications Committee
Jennifer Williams, Duncan, Sport Committee

Committees of the Board
Finance - responsible for the review of all financial reports, audited statements, and supporting financial materials in order to make recommendations to the Board.
Sport - reviews and recommends to the Board, sports and communities for inclusion in the BC Summer and BC Winter Games.
Marketing and Communications - assist in the development of the strategic direction for marketing the BC Games as well as recommending options for Corporate Partner benefits and acquisition.

Organizational Overview

THE PURPOSE OF THE BC GAMES IS

To provide an opportunity for the development of athletes, coaches, and officials in preparation for higher levels of competition in a multi-sport event which promotes interest and participation in sport and sporting activities, individual achievement, and community development.

Since 1978, the BC Games Society has been staging the BC Summer and BC Winter Games. These two events are British Columbia's largest multi-sport events.

The scope of the BC Games was broadened in 1994 with the addition of the BC Seniors Games, the Northern BC Winter Games and the BC Disability Games.

The Society's mandate is to provide event management services to host communities in the areas of administrative support, Games marketing, volunteer management, contract management and financial administration.

Premier Gordon Campbell with BC Summer Games athletes and coaches

In April 2004, the responsibility for the provision of provincial funding was transferred from the Sport Branch of the Ministry of Small Business and Economic Development to the 2010 LegaciesNow Society. 2010 LegaciesNow began as an initiative of the Province of British Columbia and the Vancouver 2010 Bid Corporation. Today, it works in partnership with community-based organizations to develop and support participants and athletes from Playground to Podium, and to develop vibrant volunteer sectors, healthy and active communities, and diverse arts and cultural activities. Through a negotiated schedule within an Agreement for Financial Assistance with 2010 LegaciesNow, the BC Games Society delivers its five multi-sport Games and ancillary programs.

Communities around the province embrace the BC Games hosting opportunity as a chance to highlight their citizens and facilities to the rest of the province. While the BC Games are a four-day celebration, the legacy of these multi-sport events lives on in new and improved facilities, enhanced volunteer skills, and financial impacts to the community due to participant and volunteer spending.

John Les (middle), Minister of Small Business and Economic Development with BC Summer Games volunteers

"The BC Games are a chance for participants from every corner of British Columbia to come together and share experiences, make new friends and test their athletic skills to the next level. They foster community spirit, drive local economies, enhance sport facilities, and leave a legacy of skilled volunteers."

The Honourable John Les, Minister of Small Business and Economic Development and the Minister responsible for Amateur Sport

Mission, Vision, and Values

MISSION

Through partnerships, the BC Games Society is committed to providing event management leadership in the creation of development opportunities for individuals, sport organizations, and host communities.

VISION

Visions of how we will operate as a Board and Staff partnership:

- Entrepreneurial approaches, mutual accountability and transparency in all our partnerships are standard methods of operation.
- The economic and social benefits to communities in hosting the Games produces quality bids and experiences from a variety of host communities.
- BC athletes, coaches, and officials in national and international competition will benefit from the experience of a BC Games.
- Public and private sectors value and support the BC Games.
- Host Communities, athletes, coaches, managers, officials, and volunteers remember the BC Games as a best ever multi-sport experience.
- The BC Games are a vehicle for community legacies, trained coaches, new sport clubs, facility improvements, community pride and spirit, and skilled event management volunteers in each host community.
- BC Games Society Board represents an effective, ethical, and responsible model in leadership and governance.

VALUES

Values that underpin how we interact in our relationships:

- Partnerships and collaboration are e foundation to our working relationships where appreciation and understanding of all partners' perspectives is actively sought.
- We have an organizational climate of mutual trust and support between Board and Staff, where roles and responsibilities are clarified, policies are followed and contributions of the team and individuals are honoured.
- Our dynamic approaches continually redefine and determine the most efficient and effective method of delivering event management services and programs.
- Commitment to social issues affecting all British Columbians around health and wellness, personal and community development, equity, access and inclusiveness is demonstrated.
- Investment in our human resources is critical to our long-term success and we strive to offer personal/professional development opportunities to Board, Staff, and Volunteers.

Note: The Mission, Vision and Values above, renewed in October 2004, are from the 2005/06 Service Plan

Key Assumptions

RISKS AND SENSITIVITIES

During the period covered by this Annual Report, the BC Games Society planned for / funded / staged:

Abbotsford 2004 BC Summer Games

Penticton 2004 BC Seniors Games

Dawson Creek 2005 Northern BC Winter Games

Nanaimo 2005 BC Disability Games

Cowichan 2005 BC Seniors Games

100 Mile House 2006 Northern BC Winter Games

Greater Trail 2006 BC Winter Games

Kamloops 2006 BC Summer Games

The BC Games Society relies on the third party delivery of recruitment of athletes who attend the BC Summer and BC Winter Games. This recruitment and the training of coaches and officials is the responsibility of the respective Provincial Sport Organizations. Their successes in recruitment and training are reflected in our statistics of BC Games participants and certified coaches.

Ownership of the Northern BC Winter Games, the BC Disability Games, and the BC Seniors Games lies with their respective Boards. The current partnership agreements with these respective agencies and the BC Games Society is for event management service only and subsequently, advice and/or direction by the BC Games Society can be superceded by the parent body, making performance measures difficult to meet.

In all instances of the BC Games Society's involvement, there is an underlying faith that cities and municipalities across the province wish to host the BC Games. Should a candidate city not emerge for those BC Games currently looking for a host, those performance measures and targets would not be applicable.

Alignment with Government's Strategic Plan

THE BC GAMES SOCIETY SUPPORTS TWO OF THE GOVERNMENT'S PRIMARY STRATEGIC PLANS

- Provide for a supportive social infrastructure
- Safe and healthy communities

INCENTIVE FOR EXCEPTIONAL COMMUNITY RESOURCEFULNESS

- Typical host communities more than double the financial investment from the province via the society, exclusive of the value of the volunteer effort.

INCENTIVE FOR VOLUNTEER COMMITMENT

- Two main stakeholder groups, the host community, and the provincial sport community are key producers of the BC Summer and BC Winter Games. Each BC Games are organized by 3000+ local volunteers led by a board of leading citizens, nominated by their mayor. 500+ sport volunteers prepare and accompany the athletes to the BC Summer and BC Winter Games.

PLATFORM TO PROMOTE THE 2010 OLYMPIC AND PARALYMPIC GAMES AND THE PROVINCIAL HOSTING STRATEGY

- The BC Games offer the single best opportunity to publicly demonstrate the enormous opportunities of hosing the 2010 Games to a provincial audience representing all regions. The BC Games are an opportunity to promote sport as an economic engine for the entire province.
- The zone team structure of the BC Summer and BC Winter Games ensures that all regions of the province are fully represented at the Games. Regional media cover the zone teams.

INCENTIVE FOR ACHIEVEMENT AND A LIFETIME OF FITNESS

- The BC Summer and BC Winter Games are a youth athlete development event. There is a significant incentive for sports to recruit and prepare young athletes to higher levels of competition and a lifetime of healthy involvement in sport.
- After the BC Summer and BC Winter Games, the best athletes will then move on to junior provincial teams and receive services through the PacificSport BC network of sport centres and the Aboriginal Sports and Recreation Association, and the rest will be equipped for a lifetime of healthy sport involvement.

ADDRESSING GOVERNMENT'S OBJECTIVES

- Government investment is more than matched by host communities, and corporate and funding partners
- Increased promotion using low-cost media relations, and media partners
- Maximizing resources through bids for contracts and private sector partner contributions (e.g. Air Canada Jazz, Telus, and Global Television - BC)
- Increased incentives for provincial sport organizations to recruit and prepare athletes
- High level of satisfaction among BC sport partners and collaborators

BC SUMMER AND BC WINTER GAMES ARE PART OF THE PROVINCIAL LONG-TERM ATHLETE DEVELOPMENT MODEL

Entrepreneurial Activities

GOAL

Continue to develop corporate relationships with private sector business to assist in the funding of the BC Games Society and its programs.

OBJECTIVE

Increase the level of non-governmental fiscal support to the benefit of the BC Summer and BC Winter Games financial sustainability.

KEY STRATEGIES

- Maintaining existing corporate partners through a thorough delivery on our contractual obligations
- Utilizing existing partners to form new strategic business partnerships in support of the BC Games
- Through contracts with software developers, BC Games Society is able to market its enabling software to agencies, games, and organizations. BC Games Society inventory and written materials have financial value to agencies and games across the country
- Souvenir contracts in host communities capitalize on the support shown by volunteers and revenue is generated for the hosts, as well as the society
- Sponsors are drawn to the BC Summer and BC Winter Games, which are known for their commitment to excellence and quality of delivery

PERFORMANCE MEASURES	TARGETS
Corporate partner signs are highly visible at venues and events and print material includes partner logos. Logo placement in Global TV advertising also acknowledges the BC Games partners.	
Air Canada Jazz receives approximately $200,000 for charter aircraft to and from the BC Summer Games.	$ 214,884 for 2004 Flight Charters
Global TV receives $25,000 for production.	Two - 2 week campaigns 2004 Summer Games and Winter One Year to Go promotional campaign
The Marketing and Communications Committee recommends potential target businesses and value of sponsorship packages.	March 2005 - Marketing and Communications Plan completed

Entrepreneurial Activities

PERFORMANCE MEASURES	TARGETS
Sales of software by ViewPoint Technologies contribute $2000 annually.	Exceeded revenue target by more than $21,000 as contracts with ViewPoint Technologies for hosting software for the Canada Seniors Games, World Men's Curling Championships, World Junior Hockey, Victoria Tall Ships Festival, Telus Snowboarding Festival and the Edmonton World Masters Games brought in $23,684 in income.
$5000 revenue from rental of BC Games inventory	No major for-profit events requested rentals from the society
$4000 per year from souvenir sales in host communities	$4,634 in souvenir sales was $4,252 less than the revenues from the Nanaimo 2002 BC Summer Games. The Abbotsford 2004 Host Society chose to provide free shirts to volunteers removing incentive to purchase souvenir apparel.
Elected and community leaders provide positive reaction of the impact of the BC Games through public addresses, media coverage and correspondence.	Attendance of elected and community leaders at BC Games provides positive impact. (see quotes below)
BC Games Society targets three new corporate businesses and generates $50,000 of new funding.	Proposals to TELUS, 3M Canada and Sprott Shaw TELUS contract brought $40,000 new corporate revenue to the BC Games Society while providing $25,000 of VIK to the Society and another $20,000 to Host Communities, directly offsetting budgeted expenditures.

"I want to extend my sincerest congratulations to everyone involved in the 2005 Northern BC Winter Games. I was fortunate enough to attend a number of the functions and it was clear that everyone enjoyed the Games and the outstanding hospitality provided by our Games' organizers and volunteers. Well done, Dawson Creek."

Blair Lekstrom, MLA - Peace River South

"Seniors are the mentors for our youth and these Games are a shining example of how healthy lifestyles are a lifelong goal. Like the benefits of hosting the BC Seniors Games - the 2010 Olympic and Paralympic Winter Games will reap tremendous benefits for all citizens of BC."

Ida Chong, MLA-Oak Bay Gordon Head
at the 2004 BC Seniors Games Torchlighting Ceremony

On-line Resources

GOAL

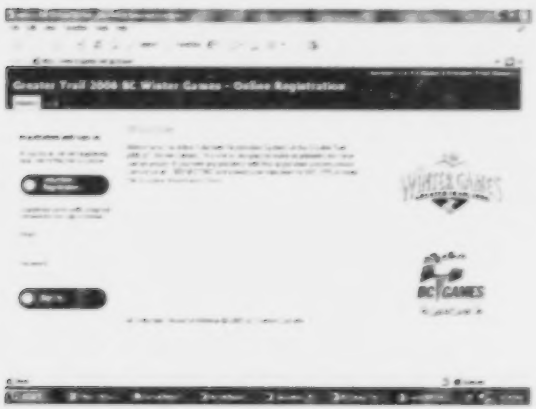
Working with ViewPoint Technologies Ltd. to continue to develop on-line registration and learning systems for use by participants, volunteers, staff, and the provincial sport system. Continue to develop the ability to provide for greater on-line learning for volunteers in the Host Communities of Trail and Kamloops.

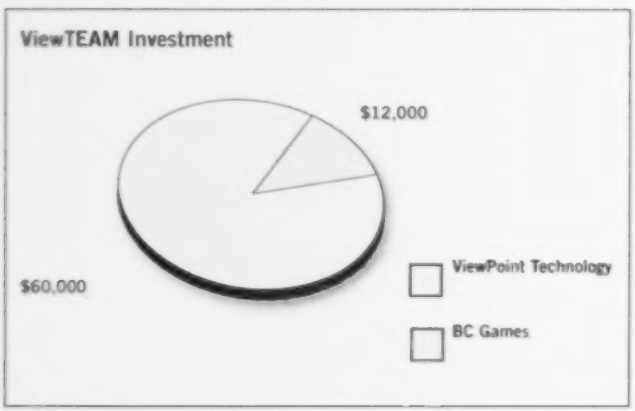
OBJECTIVE

Recognizing that on-line learning is a cost effective method of long distance learning, the BC Games Society continues to work in partnership to develop on-line registration of volunteers and participants while working toward on-line learning systems for these same user groups.

KEY STRATEGIES

- Partnering with businesses such as ViewPoint Technologies, our limited investment is part of the collective that is working toward these new systems. As well, Nortia Learning Systems and ViewPoint Technologies, already considered leaders in the respective fields, have technology in place that avoids having to redevelop systems already in place but simply customize them to our use.
- Training of the BC Games staff by the developers allows the institutional knowledge to remain here avoiding expensive consultant fees. Software design allows for a web-based application reducing travel to host communities to install / maintain software. Additional training of volunteers enables staff to reduce travel while empowering volunteers.





On-line Resources

PERFORMANCE MEASURES	TARGETS
ViewPoint Technologies will enhance software to move written Guidelines into an on-line version for Spring 2004.	Completed June 2004 BC Games investment $12,000 ViewPoint investment $60,000
Guidelines for the Host Community are moved into a web - based format allowing greater access by more volunteers The new technology allows for on-line graphics, video streaming and e-learning to enhance the volunteers' experience.	As a component of ViewPoint Technologies' investment, on-line guidelines were introduced to the volunteers of Greater Trail in September 2004. Staff continue to populate the site with new materials including graphics and video.
By July 2006, more than one-third of the Provincial Sport Organizations will register on-line.	On-line registration will begin to be tested in December 2005 for use by all Greater Trail sports and a selected number of 100 Mile House sports. Delays in this launch due to lack of testing opportunities.
Forty percent of registered volunteers access the on-line Guidelines.	89% of Greater Trail Key Volunteers utilize on-line Guidelines.
More than one-third of all volunteers in each BC Winter and BC Summer Games Host Community registering on-line by July 2006.	89% of Greater Trail volunteers registered on-line to date. 100% of Kamloops volunteers registered on-line to date.

"The ViewTEAM software is a very good tool for the task of managing a large number of volunteers. I am very pleased with the organization of the software and WebPortal approach that positions Directors to solicit key volunteers. The schedule of tasks at the WebPortal is excellent and the database filters are very effective."

Scott Daniels, Director of Registration and Results
Greater Trail 2006 BC Winter Games

BC Winter Games and BC Summer Games Management

GOALS

- In partnership with the Abbotsford 2004 BC Summer Games Society, the Greater Trail 2006 BC Winter Games Society and the Kamloops 2006 BC Summer Games Society, plan, prepare and implement quality multi-sport events for the benefit of participants, volunteers and funding and corporate partners

OBJECTIVES

- The basis of any BC Games is the thousands of volunteers who come forward to give of their time and their energies to host the participants. The society must ensure these volunteers are adequately funded, well trained, and receive strong staff support through their two year planning cycle
- Partnerships and buy-in by the Provincial Sport Organizations is critical as the BC Games are in place to serve their developing athletes, coaches and officials
- Tie in with 2010 Winter Olympic and Paralympic Games to assist in the development of selected winter sports
- Complete support at the civic and regional level provides a solid base on which to stage the BC Summer and BC Winter Games
- Financial and value in-kind support to the BC Games, as well as prudent fiscal management provides the host community with lasting legacies from the BC Games
- The provincial media see the BC Summer and BC Winter Games as important and positive news/sports stories for their readers, listeners and viewers

KEY STRATEGIES

- The nomination process to establish the President and Board of Directors to a BC Summer or BC Winter Games is seen as an important first step in building a strong event
- Ongoing professional development, as well as support with travel to the host communities keeps BC Games staff on the leading edge of volunteer management and adult learning
- Maintaining sufficient funding is a shared responsibility with the province joining local government and local business in supporting the BC Summer and BC Winter Games
- Charged with the delivery of their Games, volunteers must have up-to-date written resources and staff support to be effective
- Provincial Sport Organizations will use the BC Games as a key element in the continuum of their athlete, coach, and officials' development while recruiting and maintaining a network of key volunteers across the province
- Identify Winter Olympic and Paralympic sports which can be added to the BC Winter Games sport list given limitations set by facility availability and financial realities
- At the community level, the city, school district, regional district, local businesses, and related community groups will sign on in support of hosting the BC Summer or BC Winter Games
- Established systems at the community level will encourage cash and in-kind support from businesses, while souvenir sales and budget savings will contribute toward a cash legacy to the host community
- Through an agreement with Global TV, the BC Summer and BC Winter Games are widely publicized, attracting youth to learn more about getting involved. Releases to provincial media alert them to the rising stars of sport and, in turn encourage children to get involved in sport and the BC Games

BC Winter Games and BC Summer Games Management

PERFORMANCE MEASURES	TARGETS
President, Directors, and Chairs are community leaders and are representative in terms of gender and ethnicity.	69% male, 31% female
Utilizing Air Canada Jazz travel, BC Games staff are able to deliver their services in the host communities consistently.	Staff travelled to ten communities in this fiscal year utilizing $ 60,000 of Air Canada Jazz travel VIK.
Ongoing professional development opportunities provide new skills to staff.	Staff participated in a two-day study session on relationship work styles and team building.
Grants from the BC Games Society equal promised amount of $600,000. Local support from businesses also contributes cash and in-kind of approximately $400,000. Funding by host communities is typically $90,000.	BC Games Society provided the Abbotsford Games with a working grant of $600,000 Abbotsford Host Society received $169,849 in cash from local sources and $726,735 of VIK from area businesses.
Support by BC Games staff includes details on "how to" stage a BC Games while delivering important social messaging such as harassment training, fair play, and effective Board management.	Using BC Games Society Guidelines for the Host Community, Abbotsford 2004 BC Summer Games won the Abbotsford Business Excellence Award.
The Core and Optional Sports model indicates the sports are developing their athletes to higher performance opportunities.	Of 25 sports competing in the Abbotsford Games, 19 met the Core Sport standard by using the BC Summer Games as an integral component of their athlete, coach and officials development.
At least 50% of all coaches attending the BC Winter and BC Summer Games are certified at the required NCCP level II and officials receive assessment and guidance during the BC Games.	70% of coaches met or exceeded the requirement. Officials mentorship programs were offered by 5 sports.
Sports are able to fill their BC Games quotas as a result of successful recruitment at the zone level.	2004 BC Summer Games 4078 - planned participants; 3126 - actual participants

BC Winter Games and BC Summer Games Management

All sports are able to place volunteers in each of the eight provincial zones to support their athletes and coaches leading up to the BC Games.	In excess of 200 Provincial Advisors and Zone Reps manage sports on behalf of the BC Games in their zones.
New sports enter the BC Winter Games while some existing sports add a "para sport" component to their pool of athletes and coaches. Targeted for 2006 are snowboarding, cross country skiing, alpine skiing, and curling which will add approximately seventy new athletes into the BC Winter Games.	Alpine skiing (disabled), cross country skiing (disabled), and wheelchair curling are included in the 2006 BC Winter Games. This will add 40 athletes and 16 coaches. These sports for athletes with a disability will join existing sports for disabled athletes, wheelchair basketball, and swimming. Snowboarding removed itself from the 2006 Games to allow more time for planning their program and recruiting athletes and coaches.
Letters of support from the community number in the dozens as they recognize the social and economic advantages of hosting.	40 community and civic organizations supported the bid to host the Abbotsford 2004 BC Summer Games.
The recruitment of volunteers equals the numbers of participants attending.	2004 BC Summer Games 3126 participants; 3639 volunteers
Legacies left behind after the BC Games include new sport club development, hundreds of volunteers with new skills and confidence, equipment and facility upgrades valued at $100,000 which benefit the community and financial investment of $80,000 distributed to eligible groups.	2004 BC Winter Games Legacy Fund $115,000 2004 BC Summer Games Legacy Fund $174,394
News of the BC Games reaches the province through Global TV News and pre-produced commercials.	Global advertisements have an estimated viewership of 57;000 to 120,000 (prime time).
The clipping service records over 300 entries.	Over 350 articles tracked.
The website measures hundreds of hits for information on qualifying and for the post Games results.	25,000 web site hits.

Affiliated BC Games Management

- Penticton BC Seniors Games, September 2004
- Dawson Creek Northern BC Winter Games, February 2005
- Nanaimo BC Disability Games, July 2005
- Cowichan Valley BC Seniors Games, August 2005
- 100 Mile House Northern BC Winter Games, February 2006

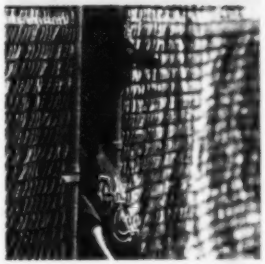
GOALS

The basis of any BC Games is the thousands of volunteers who come forward to give of their time and their energies to host the participants. The society must ensure these volunteers are adequately funded, well trained, and receive strong staff support through their two year planning cycle.

Partnerships and buy-in by the parent societies of each of these Games is critical as their vision and their role in the Games must be in concert with the delivery model provided by the BC Games Society.

Financial and value in-kind support to the affiliated BC Games, as well as prudent fiscal management provides the community with lasting legacies from the Games.

Streamlining Board functions and responsibility as to provide additional investment in the Host Community



KEY STRATEGIES

- At all levels of the development and implementation of these Games, staff must consider and respect the policies established by the respective Parent Boards
- Ensure continuing representation by each Board on the BC Games Society Board of Directors
- These three BC Games recognize that their event is part of a larger provincial sport system and their connection to the Provincial Sport Organizations is critical to future successes
- Continue to evolve the roles of each of the three affiliated BC Games Boards away from an operational Board and into governance and policy

BC Seniors Games

BC Disability Sports
ABILITIES IN ACTION

Northern British Columbia Winter Games Society

PERFORMANCE MEASURES	TARGETS
Funding by host communities is consistent with the societies' respective requests for funding as presented in the bid process. Grants from the BC Games Society continue to be $45,000 in support of the host community. Local support from business also contributes cash and in-kind of approximately $200,000.	Dawson Creek 2005 Northern BC Winter Games attracted $121,855 of cash and $227,701 of VIK in addition to the $45,000 grant from BC Games Society. Penticton 2004 BC Seniors Games brought in $180,000, including registration fees of $135,000 as well as in kind contributions of $270,000.
Resolutions from the city indicate their support to host the BC Games. Letters of support from the community recognize the social and economic advantages of hosting.	Support from the business community for the Northern Games came from 178 companies and interests. 50 local community groups supported the bid to host the BC Seniors Games in Penticton.
The recruitment of volunteers equals the numbers of participants attending, ~ 1000 for each of the three Games.	Northern Games-910 volunteers supported 1255 participants Seniors Games-1200 volunteers supported 2800 participants
The bid process presented by each of the Games offers the province the opportunity to host and multiple bids are received by each.	The Northern Games can be hosted by very few communities, therefore competition for bids is rare.
Legacies left behind after the BC Games include hundreds of volunteers with new skills and confidence.	910 Northern Games volunteers;1200 Seniors Games volunteers
Affiliated BC Games Boards recognize and embrace their role as that of a governance structure.	The Board of the Northern Games went through a governance review in April 2004. A new model emerged consisting of 8 Directors, 10 fewer than the previous 18.
Subsequent budget savings of approximately $10,000.00 per organization per year are directed to Host Community operational budgets.	Funding to Host Community amounted to $94,000 from the Northern Society, an increase of $4000 over the previous year.

Note:
The BC Disability Games were not held in July 2004 due to difficulties establishing a host community. BC Disability Sports, responsible for the policy and governance of these Games, did not receive any bids to host and subsequently asked for a city to host.
Given delays in establishing a Board of Directors and undue costs associated with hosting these Games, the decision was made to cancel this Games rotation and wait until 2005.

Year in Review

ABBOTSFORD 2004 BC SUMMER GAMES

The 2004 BC Summer Games in Abbotsford brought together 3,639 volunteers to host the 2410 athletes, 458 coaches/managers, and 258 officials. BC's best young developing athletes competed in 25 sports from July 15 to 18.

"The City of Abbotsford was very proud to host the 2004 BC Summer Games. The benefits went far beyond the economic. We had the opportunity to showcase our wonderful City in the Country. Our thousands of volunteers showed the spirit of giving BC is famous for. The community united, friendships were created and sports were promoted. The benefits will continue far beyond the Games."

Mary Reeves, Mayor, City of Abbotsford

B.C. Summer Games Abbotsford 2004

Let the Games begin!

The Province, Friday July 16, 2004

SHOWCASING THE NEXT GENERATION

British Columbia journalists caught the excitement of the BC Games and provided extensive coverage of participants, competition and community initiatives. This shows the impact of the BC Games province - wide and the respect and value communities hold for their young athletes.

Vancouver Sun featured a front-page photograph courtesy of the BC Games volunteer News Service. Ten stories, including 6 feature articles of BC Games athletes, were written during the weekend. As well, full results were published.

Community newspapers featured over 350 articles (over 100,000 column inches) of coverage prior to, during, and after the Games.

Global Television - BC aired a two-week campaign of professionally produced vignettes with an estimated viewership of 57,000 and 120,000 in prime time. Live broadcast hits took place during the Games weekend.

Access to information and results through the BC Games website recorded 25,000 hits in the two weeks surrounding the Games.

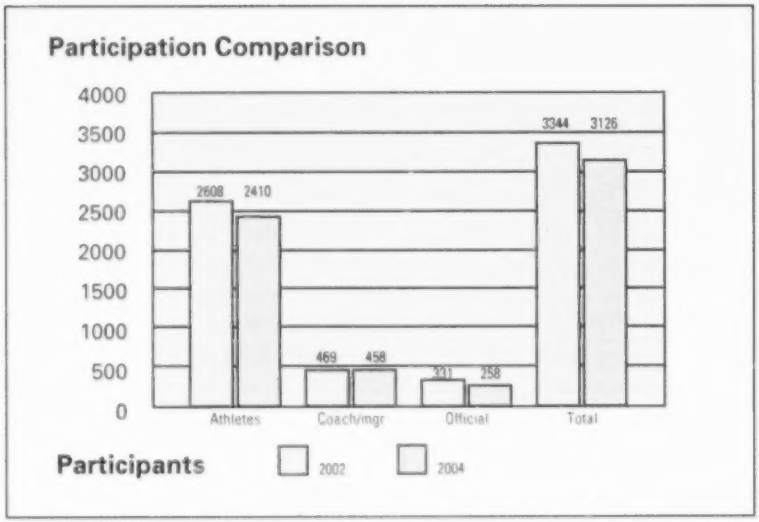
Vancouver Sun, front page Saturday July 17, 2004 Photo taken by BC Games News Service Volunteer Deniz Merdangullari

Year in Review

ABBOTSFORD 2004 BC SUMMER GAMES

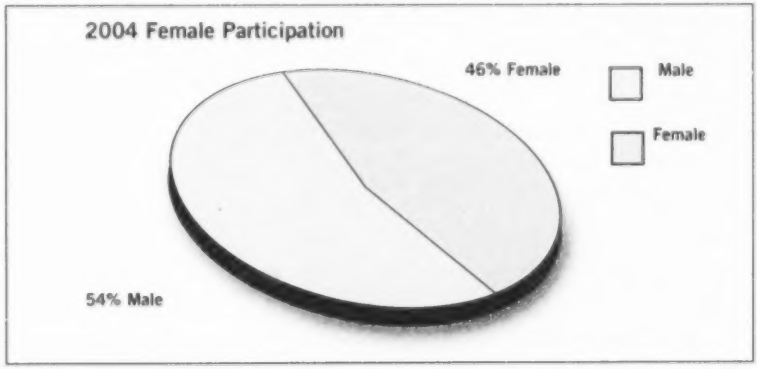
Participation

When comparing attendance from 2002 to 2004, a definite decline in numbers is evident. At the 2004 BC Summer Games, the approved sport package was for 4078 participants and the actual number of participants was 3126, only 76% of the expected number. In 2002, the traditional 88% of the planned sport package participated in the BC Summer Games. Provincial Sport Organizations have told us they found their declared age categories to be too restrictive as any given sport may have difficulty recruiting athletes from that age pool. BC Games staff have already begun to work with each sport to determine better fits within the development model to ensure maximum participation and development.



Participation of Aboriginal Athletes

The population of aboriginal people in British Columbia is 4.4% (Statistics Canada 2001 Census). Of the participants at the 2004 BC Summer Games, 1.2% were of aboriginal heritage. This compares to 1.4% at the 2002 BC Summer Games. A partnership between the Aboriginal Sport Development Association and the BC Games Society continues to encourage sport opportunities for aboriginal youth.



Year in Review

ABBOTSFORD 2004 BC SUMMER GAMES

Athlete Excellence

The BC Games are attracting BC's best young developing athletes who are moving forward to future dreams of podium success.

BC Summer Games athletes rewrote a portion of the track and field record book in 2004.

- Sabrina Nettey, Surrey, shattered the girls' triple jump and long jump marks.
- Shawn Swartz, Port Coquitlam, cleared the boys' high jump record.
- Laura Macauley, Port Alberni, broke the girl's shot-put record.

"As a developmental step for preparing our equine athletes for medal competition on the international stage, this has been the most valuable experience these riders have had the opportunity to be involved in. As a motivational tool, the BC Summer Games are unsurpassed. We have youth of all ages working hard hoping that they can be part of the 2006 BC Summer Games."

Sharon Hall, Provincial Advisor, Equestrian

"Thank you for all your time, effort and commitment that you put into the Summer Games for us. It was an incredible experience and I will never forget it."

Michaela Toffoli, Age 15

Volunteer Excellence

Abbotsford 2004 BC Summer Games received the Business Excellence Award for Tourism, Recreation and Leisure

Milt Walker (left) receives award

President, Milt Walker, was acknowledged for his leadership of the 2004 BC Summer Games with the Community Leader of the Year Award.

The Abbotsford News was heavily involved in the 2004 BC Summer Games, led by the Director of Promotions and Abbotsford News Publisher, Randy Blair

The newspaper won the triple crown of newspaper awards in 2004, taking first place in its class for general excellence in BC, Canada and North America.

It is also among the top three national nominees for Community Service for the 2005 Canadian Community Newspaper Association awards thanks to its multi-faceted role in the 2004 BC Summer Games.

Year in Review

LEVERAGING THE INVESTMENT

Air Canada and Air Canada Jazz once again have signified their commitment to the BC Games through a new two-year corporate partnership agreement.

"Air Canada Jazz is pleased to once again partner with the BC Games Society by providing charter transportation. We are proud to be a corporate partner in showcasing some of Canada's best and brightest athletes."

Joseph Randell, President and Chief Executive Officer, Air Canada Jazz.

The BC Games was pleased to welcome TELUS to our corporate partnership family in March 2005. The partnership will see benefits of cash and in-kind to the Society and to Host Communities in each of the next three years.

TELUS
the future is friendly

Singin' the praises of BC Games volunteers

Air Canada Jazz Notes
Summer 2004 Edition

"TELUS has a long and proud history of giving back to the communities where we live and work. Our partnership with the BC Games Society demonstrates our commitment to sport and in particular our youth. We are proud to support the athletic dreams of young British Columbians from enablement to excellence - from playground to podium."

Shawn Thomas, Vice President Communications, TELUS

Host Community Corporate Partners

Abbotsford 2004 BC Summer Games successful corporate partnership recruitment included Envision Financial and Save-On-Foods. The addition of these companies as Corporate Partners translates to an increased legacy return estimated at $170,000.

Connecting Volunteers

BC Games Society is a leader in the development of event management materials for Host Community Volunteers. A significant investment with ViewPoint Technologies has been made to move these resources to an on-line format.

On-line learning will enable volunteers to access third-party programs to enhance their skill sets which will make their BC Games experience more memorable, while helping them become better citizens, employees and long term volunteers.

Management Discussion and Analysis

ASSESSMENT OF RESULTS OF OPERATIONS AND CHANGES IN FINANCIAL CONDITIONS

The BC Games Society Board of Directors recognizes that budgetary control over expenditure is important to its on-going fiscal responsibilities in order to meet strategic objectives in accordance with our defined mission statement and annual service plan. The revenue referred to in the audited financial statements is the same as the funding from 2010 LegaciesNow. Each year, management prepares a budget covering a two-year period for approval by the Finance Committee and Board. Expenditures for the fiscal year 2004/05 accounted to $2,210,000 and were $58,000 over revenues.

While funded annually, the BC Games Society operates in a two-year fiscal cycle whereby the expenses are noticeably different. Fiscal year 2003/04 featured the BC Winter Games in Port Alberni involving a direct grant from this society of $530,000 and $365,000 in external transportation costs. Success in securing local sponsors and sound fiscal management enabled a surplus return of $96,500 to the BC Games Society. The Abbotsford 2004 BC Summer Games in fiscal year 2004/05 were a larger event in terms of participants and received a larger grant of $600,000 with an additional $422,000 being spent on participant travel. Abbotsford was successful in establishing local top-level sponsors, which means a surplus return of $151,094 to the BC Games Society in the fiscal year 2005/06. Additional grants and operating costs of $245,000 are attributed to the Northern BC Winter Games, the BC Disability Games, and the BC Seniors Games through our Partnership Agreements with each of those parent societies. No surplus returns are provided the BC Games Society from any of these BC Games but are made directly to their respective parent society.

Major Risks and Opportunities

In our annual report of last year, we reported in this section that BC has the most aggressive multi-sport campaign in the country, having four multi-sport Games each fiscal year. Saturation of available communities to host, volunteer and local sponsorship fatigue, and overall fiscal sustainability are factors the BC Games Society continues to review as we go forward.

Rising fuel costs continue to impact our budget, as staff must travel to each of any ten communities currently involved in BC Games. The provision of travel to our summer and winter participants is vital to the overall success, as society paid travel ensures attendance from all eight zones. Our accumulated surplus is our safeguard if the BC Games are to continue being Games for the entire province, as travel to the corners of the province adds significantly to our costs.

As of April 1, 2004 funding to the BC Games Society comes through an agreement with the 2010 LegaciesNow Society. The provincial revenue referred to in the audited financial statements is the same as the funding from 2010 LeagaciesNow. The 2010 LegaciesNow Society is committed to province-wide sport development that will help put athletes on the podium and leave a lasting legacy for all of BC as a result of hosting the 2010 Olympic and Paralympic Winter Games.

Management Discussion and Analysis

	Revenue		Expense	
	Budget	Actual	Budget	Actual
2002 / 2003 fiscal year includes Nanaimo 2002 BC Summer Games	$2,058,000	$2,083,819	$2,202,300	$1,846,299
2004 / 2005 fiscal year includes Abbotsford 2004 BC Summer Games	$2,207,000	$2,152,711	$2,152,711	$2,210,924

- The comparison does not report 2003 / 2004 figures. The 2003 / 2004 fiscal year includes the 2004 BC Winter Games which has a smaller budget than the BC Summer Games
- 2002 / 2003 figures do not include budgets related to the single year program of Team BC within the BC Games Society
- Variances on revenue in 2004 / 2005 were due to costs associated with GST increases and no new corporate partner revenue
- Deficiency of revenue over expenses in 2004 / 2005 was accounted for in accumulated surpluses

Staffing

The BC Games Society operates with a staff of nine full time employees. During peak times, we access temporary part-time staff of up to ten for a period of two days. From time to time, we also access independent contractors for work relating to Board governance, staff professional development, or administrative support.

Management's Responsibility for Financial Reporting

The financial statements of the BC Games Society have been prepared by management in accordance with Canadian generally accepted accounting principles. The financial statements present fairly the financial position of the society as at March 31, 2005 and the results of its operations.

Management is responsible for the integrity of the financial statements and has established policies as conveyed by the Auditor General of British Columbia regarding internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and financial records properly maintained to facilitate the preparation of reliable financial statements in a timely manner. Inherent to the concept of reasonable assurance is the recognition that there are limits in all internal control systems and that system costs should not exceed the expected benefits.

Kelly Mann
President and CEO

Gordon Hutcheson, FCA
Accountant

Statement of Operations

$000s	03/04 Actual	04/05 Actual	05/06 Budget	06/07 Forecast	07/08 Forecast
Total Revenue	**1,967**	**2,153**	**2,252**	**2,354**	**2,262**
Ministry Grant*	1,832	1,832	2,027	2,027	2,027
Other Revenues	135	321	225	327	235
Total Expenses	**1,909**	**2,211**	**2,226**	**2,362**	**2,360**
Grants	645	748	710	830	780
Games Operations	380	442	465	490	500
Overhead	884	1,021	1,051	1,042	1,080
Operating Income (loss)	**58**	**(58)**	**26**	**-8**	**-98**
Net Income (loss)	58	(58)	26	-8	-98
Surplus B/F	896	954	782	808	800
Surplus C/F	**954**	**896**	**808**	**808**	**702**
FTEs	**9**	**9**	**9**	**9**	**9**
Capital Expenditures	**106**	**29**	**45**	**50**	**50**

* as of April 2004, the funding is from 2010 LegaciesNow

Financial Statements

BC GAMES SOCIETY

YEAR ENDED MARCH 31, 2005

AUDITORS' REPORT

To: The Board of Directors of the BC Games Society

We have audited the statement of financial position of the BC Games Society as at March 31, 2005 and the statements of operations and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2005 and the results of its operations and changes in net assets and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Society Act of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Mantell Dickson Blades Wiseman
Victoria, B.C.
April 27, 2005
Chartered Accountants

Financial Statements

BC GAMES SOCIETY
STATEMENT OF FINANCIAL POSITION
YEAR ENDED MARCH 31, 2005

	2005 $	2004 $
ASSETS		
CURRENT		
Cash and cash equivalents	882,866	1,048,683
Receivables	6,973	40,967
Inventory	4,033	5,978
Prepaids	625	1,409
	894,497	1,097,037
CAPITAL ASSETS (Note 3)	115,290	115,166
	1,009,787	1,212,203
LIABILITIES		
CURRENT		
Payables and accruals	90,848	257,745
Deferred funding (Note 12)	22,694	-
	113,542	257,745
NET ASSETS		
NET ASSETS INVESTED IN CAPITAL ASSETS	115,290	115,166
INTERNALLY RESTRICTED FUNDS	30,744	30,744
UNRESTRICTED NET ASSETS	750,211	808,548
	896,245	954,458
	1,009,787	1,212,203

COMMITMENTS (Note 5)
CONTINGENT LIABILITY (Note 6)
See accompanying notes

Financial Statements

BC GAMES SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2005

CURRENT YEAR (2005)

	Investment in Capital Assets $	Internally Restricted Funds (Note 7) $	Unrestricted Operations $	2005 Total $
NET ASSETS, beginning of year	115,166	30,744	808,548	954,458
(DEFICIENCY) OF REVENUE OVER EXPENSES	-	-	(58,213)	(58,213)
AMORTIZATION OF CAPITAL ASSETS	(28,791)	-	28,791	-
INVESTMENT IN CAPITAL ASSETS	28,915	-	(28,915)	-
NET ASSETS, end of year	**115,290**	**30,744**	**750,211**	**896,245**

PRIOR YEAR (2004)

	Investment in Capital Assets $	Internally Restricted Funds (Note 7) $	Unrestricted Operations $	2004 Total $
NET ASSETS, beginning of year	33,474	135,000	728,258	896,732
EXCESS OF REVENUE OVER EXPENSES	-	-	57,726	57,726
INTER-FUND TRANSFERS	-	(8,061)	8,061	-
AMORTIZATION OF CAPITAL ASSETS	(24,503)	-	24,503	-
INVESTMENT IN CAPITAL ASSETS	106,195	(96,195)	(10,000)	-
NET ASSETS, end of year	**115,166**	**30,744**	**808,548**	**954,458**

See accompanying notes

Financial Statements

BC GAMES SOCIETY
STATEMENT OF GENERAL OPERATIONS
YEAR ENDED MARCH 31, 2005

	2005 $	2004 $
REVENUE		
Province of British Columbia-Operating Grant	1,832,000	1,832,000
Grant - Family of Games	155,000	-
Souvenirs	4,634	6,927
Contractual revenues, net (Note 11)	23,684	8,089
Athlete registration	112,423	68,054
Interest earned	24,970	51,707
	2,152,711	1,966,777
EXPENSES		
Salaries and employee benefits	623,019	537,064
Travel and accommodations	64,465	57,706
Professional services	37,346	31,603
Computer maintenance	1,500	5,000
Office and business expenses	108,995	72,911
Advertising and publications	42,657	50,442
Insurance, leases and utilities	114,020	105,287
Games operating costs	441,634	379,535
Amortization	28,791	24,503
Operating grants, less returns	748,497	645,000
	2,210,924	1,909,051
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(58,213)	57,726

See accompanying notes

Financial Statements

BC GAMES SOCIETY
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2005

	2005 $	2004 $
CASH FLOW DERIVED FROM (APPLIED TO)		
Operating		
Excess (deficiency) of revenue over expenses	(58,213)	57,726
Amortization	28,791	24,503
	(29,422)	82,229
Changes in non-cash operating working capital		
Receivables	33,994	142,004
Inventory	1,945	(5,978)
Prepaids	,784	(114)
Payables and accruals	(166,897)	213,171
Deferred funding	22,694	(26,795)
	(136,902)	404,517
Investing		
Purchase of capital assets (Note 3)	(28,915)	(106,195)
NET INCREASE (DECREASE) IN CASH	(165,817)	298,322
CASH, beginning of year	1,048,683	750,361
CASH, end of year	882,866	1,048,683

See accompanying notes

Financial Statements

BC GAMES SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2005

1. STATEMENT OF PURPOSE

The Society was incorporated under the Society Act on June 26, 1987. Currently, the purpose of the Society is to provide event management leadership to achieve sport, individual and community development.

Approximately 88% of the Society's revenues are received from the Province of British Columbia with the remainder generated by corporate sponsors, surpluses from host societies, athlete registration fees, contract service and interest.

The Northern B.C. Winter Games, the BC Winter Games, the B.C. Disability Games, the BC Summer Games and the B.C. Seniors Games are planned and operated by societies incorporated in the host community for each event. These financial statements do not reflect the revenues and expenditures of the local societies.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The term "Society" is used to mean the BC Games Society.

(a) Capital Assets

Amortization is calculated on a straight-line basis over the asset's estimated useful economic life, as follows:

Computer and general application software	3 years
Registration programs and computer cabling	5 years
Bedding, flags and signs for host societies	7 years
Furniture and equipment	10 years
Trademarks	20 years
Leaseholds	over the term of the lease

In the year of purchase capital assets are amortized at half their normal rates.

(b) Revenue Recognition

The Society follows the deferral method of accounting for Grants and Contributions received, whereby revenues are matched with expenses. Restricted contributions, if any, are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable.
Donated or discounted goods and services are recorded at the amount of cash consideration.
Receipt of surplus from Summer and Winter Games Societies is recorded at the earlier of cash receipt and final determination of the amount of the surplus.

(c) Measurement Uncertainty and the Use of Estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may vary from the current estimates.

Financial Statements

BC GAMES SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2005

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Provincial Contributions
The financial statements do not reflect certain administrative expenses incurred and paid directly by the Province of British Columbia in the delivery of the games.

(e) Legacy Funds - Host Communities
Host communities retain 100% of profits from souvenir sales and 50% of their operating surplus, if any, and all interest earned as part of their legacy fund.

(f) Grants to Host Societies
Grants to host societies are recorded as an expense when disbursements of funds has been authorized.

3. CAPITAL ASSETS

	2005	2004
	$	$
Registration software	252,405	235,838
Application software	11,931	11,178
Computers	35,396	63,752
Bedding, flags and signs for Host Societies	117,337	112,443
Furniture and equipment	20,732	20,732
Cabling	8,436	8,436
Leaseholds	17,172	17,172
Trademarks	,763	763
At cost	464,172	470,314
Less: Accumulated amortization	348,882	355,148
Net book value	115,290	115,166
Additions during the year		
Computers	6,701	8,041
Bedding	4,894	88,154
Registration software enhancements	16,567	10,000
Computer software	753	-
	28,915	106,195

Computers which have been replaced have been written off this year thus reducing total cost of capital assets to date.

Financial Statements

BC GAMES SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2005

4. SURPLUS FROM HOST SOCIETIES

Surplus from the host societies is comprised of:

	2005	2004
	$	$
Port Alberni 2004 Winter Games Society	96,503	-

5. COMMITMENTS

The Society has commitments arising from contractual agreements for office equipment, television advertising, employment services, and a lease for office premises. The Society is also committed to provide funding to host societies for staging of events scheduled during the years.

General Commitments

Minimum annual commitments in each of the next five fiscal years are as follows:

	Total
	$
2006	200,000
2007	183,800
2008	169,500
2009	24,600
2010	10,200
	588,100

Financial Statements

BC GAMES SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2005

Host Society Commitments

	2006	2007	2008	2009	2010	
	$	$	$	$	$	
2006 to 2010						
B.C. Seniors Games	110,000	110,000	110,000	-	-	
B.C. Disability Games	110,000	110,000	110,000	-	-	
Northern B.C. Winter Games	110,000	110,000	110,000	-	-	
Greater Trail Winter Games Society	450,000	-	-	-	-	
Kamloops Summer Games Society	50,000	550,000	-	-	-	
Kimberly/Cranbrook Winter Games Society	-	50,000	450,000	-	-	
Kelowna Summer Games Society	-	-	50,000	550,000	-	
Terrace Winter Games Society	-	-	-	50,000	450,000	
Township of Langley Summer Games Society	-	-	-	-	50,000	
	830,000	930,000	830,000	600,000	500,000	3,690,000
Total five year commitments						4,278,100

Financial Statements

BC GAMES SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2005

6. CONTINGENT LIABILITIES

The Society has been named as a party to a lawsuit related to injuries sustained by a volunteer of the Nanaimo 2002 Summer Games. As the outcome is not yet determined, no provision has been made to the accounts with respect to this matter.

Canada Revenue Agency has proposed an audit adjustment related to the Williams Lake 2002 Winter Games GST return. As the final outcome has not been determined, no provision has been made with respect to any potential liability.

7. INTERNALLY RESTRICTED FUNDS

The Society has restricted funds of $30,744 for future use for foam mattresses, other office equipment and for any claims against the Society as detailed in Note 6.

8. RELATED PARTY TRANSACTIONS

The Society is economically dependent on the receipt of funding from the Province of British Columbia. Early in each fiscal year the annual funding for the Province is paid to the Society to cover the operating cost for that year. The use of the funds is governed by the Agreement for Financial Assistance signed by both parties.

During the fiscal year, the Society received funding of $1,832,000 from the Province for operations. In addition, $155,000 was received for specific use as grants to assist in the running of the Northern, Disability and Senior Games. These funds are held in trust by the Province in short-term securities with interest being credited to the Society each month.

Details of transactions are as follows:

	2005 $	2004 $
Grant received - Operations	1,832,000	1,832,000
- Family of Games	155,000	-
Interest earned	24,970	51,707
Balance in the Investment Trust Account at year end (included in cash equivalents on the Statement of Financial Position)	808,096	1,021,156

9. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash and cash equivalents, receivables, payables and accruals. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values.

Financial Statements

BC GAMES SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2005

10. REGISTRATION SOFTWARE

The Society has signed a contract with Viewpoint Technologies Ltd. who have agreed to develop, enhance and sell rights to the Society Registration Software.

11. CONTRACTUAL REVENUES, NET

	2005 $	2004 $
Consists of:		
Grants received from Legacies Now Society	-	2,889
Contract fees incurred	-	(2,263)
	-	626
Other revenues	23,684	7,463
	23,684	8,089

12. DEFERRED FUNDING

During the year, funding has been received to finance the B.C. Olympic Youth Program held in conjunction with the Winter Games. In addition, Telus has provided $2,000 for a bursary for athletes and $2,000 to Kid Sport Fund.

	2005 $	2004 $
Funds for B.C. Olympic Youth Program		
- Government source	3,000	-
- Non-government source	16,430	-
- Telus	4,000	-
	23,430	-
Paid - Telus bursary	736	-
	22,694	-

13. SUBSEQUENT EVENT

Shortly after the year end, the Society received $1,000,000 from the Province of British Columbia on account of the grant for the 2005/06 fiscal year.

BRITISH
COLUMBIA

Ministry of Small Business and
Economic Development

Honourable John Les, Minister

BC Games Society
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